UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

DENNIS HANSCOM, on behalf of himself and all others similarly situated,

Plaintiff.

CASE NO. 3:24-CV-00277-KDB-DCK

VS.

NORDSEC LTD., NORDSEC B.V., NORDVPN S.A., NORD SECURITY INC., and TEFINCOM S.A. d/b/a NORDVPN,

Defendants.

DEFENDANTS' MOTION TO DISMISS PLAINTIFF'S AMENDED COMPLAINT

Pursuant to Federal Rules of Civil Procedure 12(b)(1), 12(b)(2), and 12(b)(6), Defendants NordSec Ltd., NordSec B.V., Nordvpn S.A. ("Nord"), Nord Security Inc., and Tefincom S.A. move to dismiss Plaintiff's amended complaint for lack of personal jurisdiction, lack of subject-matter jurisdiction, and failure to state a claim upon which relief can be granted, on the following grounds:

1. Plaintiff lacks Article III standing for all his claims. North Carolina's auto-renewal statute ("ARS") concerns injury from unlawful automatic renewal of subscription services only. Plaintiff admits that his one payment to Nord was for an initial two-year term, and that he canceled his subscription before it renewed. Because Nord never charged Plaintiff for a renewal term, he has suffered no harm under the ARS. The same is true for Plaintiff's other claims, to the extent they depend on the ARS allegations. But even if they do not, Plaintiff still lacks standing for the non-ARS claims because, as he now admits, Nord refunded his entire payment for the initial subscription term six months before he filed suit. Thus, Plaintiff cannot allege a concrete harm

under any of his theories. The Court should dismiss all claims under Rule 12(b)(1).

- 2. Because Plaintiff's subscription was never renewed, and he was refunded his entire initial payment, he cannot plausibly allege causation or injury under the ARS or Unfair and Deceptive Trade Practices Act ("UDTPA"). Therefore, he also lacks standing under N.C. Gen. Stat. Chapter 75, and the Court should dismiss those claims for failure to state a claim under Rule 12(b)(6), as well.
- 3. Even if Plaintiff did have standing under Article III and Chapter 75, his ARS and UDTPA claims still fail under Rule 12(b)(6) because Nord complied with the ARS disclosure requirements, and Nord's enrollment, cancellation, and refund processes are not "deceptive" or "unfair."
- 4. The Court should dismiss Plaintiff's claims for conversion and unjust enrichment under Rule 12(b)(6) because they are barred by the economic loss doctrine, and, separately, because Plaintiff has not alleged facts sufficient to state any of those claims.
- 5. Finally, the Court should dismiss NordSec Ltd, NordSec B.V., Nord Security Inc., and Tefincom S.A under Rule 12(b)(2) because they are foreign parties that did not direct any actions at North Carolina giving rise to Plaintiff's claims, and there is no personal jurisdiction over them on Plaintiff's alter ego theory.

Pursuant to LCvR 7.1 of the Rules of Practice and Procedure, Defendants have contemporaneously filed their Memorandum In Support Of Defendants' Motion To Dismiss Plaintiff's Amended Complaint. In support of the Motion, Defendants rely on the accompanying Memorandum and declarations; all of the pleadings and papers on file in this action; all matters of which this Court may take judicial notice; and any other materials that may be properly presented to the Court at or prior to the hearing on this Motion.

Defendants respectfully request that the Court grant this Motion and dismiss Plaintiff's amended complaint with prejudice and without leave to amend.

Dated: August 21, 2024 Respectfully submitted,

McGuireWoods LLP

By: /s/Jodie Herrmann Lawson

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